GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1161
ANSWERED ON:26.11.2009
DIRECT FERTILIZER SUBSIDY TO FARMERS
Devappa Anna Shri Shetti Raju Alias

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government had announced to provide fertilizer subsidy directly to the farmers;

(b) if so, whether this decisio has been implemented;

(c) if so, the names of the fertilizrs on which subsidy was directly released to farmers;

(d) the amount released directly to the farmers; and

(e) the number and names of States covered under this scheme alongwith the reasons for not covering the all states ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a): The Finance Minister in his Budget Speech 2009 has said that `In context of the nation`s food security, the declining response of agriculture productivity to increase fertilizer usage in the country is a matter of concern. To ensure balanced application of fertilizers, the Government intends to move towards nutrient based subsidy regime instead of the current product pricing scheme. It will lead to availability of innovative fertilizer prodcuts in the market at reasonable prices. This unshackling of the fertilizer manufacturing sector is expected to attract fresh investments in this sector. In due course, it is also itended to move to a system of direct transfer of subsidy to the farmers`. A Group of Ministers has been constituted to examine the proposed nutrient based subsidy policy and measures for rationalisation of fertilizer subsidy disbursement. The issue of nutrient based subsidy policy is currently under conisderation of the GOM.

(b) ti (e): In view of (a) above, questions do not arise.